



TO: Members of the House Local Government and Urban Policy Committee  
Representative Darwin Booher  
Interested Parties

FROM: Steve Arwood, Executive Director

DATE: March 21, 2006

SUBJECT: House Bill 5814

Please accept this written comment as our opposition to House Bill 5814. As we cannot be available to testify on this legislation, please make this comment part of the official committee record.

House Bill 5814 takes the unprecedented action of prospectively denying public land ownership to the citizens of Michigan.

1. HB 5814 would allow local units of government to veto the right of the public to own land for the enjoyment of all forms of recreation. This will also have a direct impact on the tourist and natural resource based economy (forestry/minerals) at a time when the Michigan economy cannot suffer additional setbacks.
2. HB 5814 would appear to make PILT a "tax" (page 2, paragraph (4).) In the context of the bill as drafted, this appears an attempt by reference to make non-payment of PILT an action that can be followed by foreclosure. We are struggling to understand how this would work, especially as the state would ultimately receive the lands foreclosed and whether one governmental agency can foreclose another. These are lands held in trust for the people of the state, not a commercial enterprise.

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3. We are opposed to moving the payment of PILT back to the restricted funds as the sole source of funding local units of government. All citizens of this state enjoy public land, not just those that purchase licenses and permits. In fact, GF/GP for the MDNR now stands at approximately \$3 for every citizen of this state and there are signs that further erosion in this funding will occur. The recent compromise that created the 50/50 split in PILT responsibility was fair and should continue.
4. This bill not only gives local units of government veto control over the purchase of new public land, but a block on the appropriations process itself. The prime example of that would be Michigan Natural Resource Trust Fund purchases recommended to the legislature and approved through the appropriation process.
5. The land conservancies that are members of Heart of the Lakes have assisted in conserving over 370,000 acres in Michigan. While most of these transactions were private, many included partnerships with the State of Michigan where conservancies assisted in transactions and the ultimate ownership of the land ended up with the citizens. This bill will alter those partnerships and set land conservation back many steps.
6. Last, PILT is a budget prioritization and appropriations issue. It is certain that these tough economic times are forcing many tough choices in that process. We suggest that instead of prospectively limiting the purchase of lands for the public, the legislature prioritize the PILT obligation through the current method and statute.

Thank you for your consideration.